



DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Proposed Agency Information Collection Activities: Comment Request

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Joint notice and request for comment.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. chapter 35), the OCC, the Board, and the FDIC (the agencies) may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), have approved the publication for public comment of a proposal to revise and extend the Market Risk Regulatory Report for Institutions Subject to the Market Risk Capital Rule (FFIEC 102), which is currently an approved collection of information for each agency. The agencies propose to modify this collection effective December 31, 2016, to (1) have institutions provide their Legal Entity Identifier (LEI) on the reporting form, only if they already have one, and (2) add U.S. Intermediate Holding Companies (IHCs) to the Board's respondent panel.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the FFIEC and the agencies should modify the proposed revisions prior to giving final approval. The agencies will then submit the revisions to OMB for review and approval.

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the OMB control number, will be shared among the agencies.

OCC: Because paper mail in the Washington, DC, area and at the OCC is subject to delay, commenters are encouraged to submit comments by e-mail, if possible, to prainfo@occ.treas.gov. Alternatively, comments may be sent to: Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, Attention: 1557-0325 (FFIEC 102), 400 7th Street, SW., Suite 3E-218, Mail Stop 9W-11, Washington, DC 20219. In addition, comments may be sent by fax to (571) 465-4326.

You may personally inspect and photocopy comments at the OCC, 400 7th Street, SW., Washington, DC 20219. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700 or for persons who are deaf or hard of hearing, TTY, (202) 649-5597. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

All comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comments or supporting materials that you consider confidential or inappropriate for public disclosure.

Board: You may submit comments, which should refer to “FFIEC 102” by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at: <http://www.federalreserve.gov/apps/foia/ProposedRegs.aspx>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include reporting form number in the subject line of the message.
- Fax: (202) 452-3819 or (202) 452-3102.
- Mail: Robert DeV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

All public comments are available from the Board's Web site at <http://www.federalreserve.gov/apps/foia/ProposedRegs.aspx> as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room 3515, 1801 K Street (between 18th and 19th Streets), NW., Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays.

FDIC: You may submit comments, which should refer to "FFIEC 102," by any of the following methods:

- Agency Web Site: <http://www.fdic.gov/regulations/laws/federal/>. Follow the instructions for submitting comments on the FDIC Web site.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: comments@FDIC.gov. Include "FFIEC 102" in the subject line of the message.

- Mail: Manuel E. Cabeza, Counsel, Room MB-3105, Attn: Comments, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.
- Hand Delivery: Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

Public Inspection: All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal/> including any personal information provided. Paper copies of public comments may be requested from the FDIC Public Information Center by telephone at (877) 275-3342 or (703) 562-2200.

Additionally, commenters may send a copy of their comments to the OMB desk officer for the agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW., Washington, DC 20503; by fax to (202) 395-6974; or by e-mail to oir_submission@omb.eop.gov.

FOR FURTHER INFORMATION CONTACT: For further information about the proposed revisions to the FFIEC 102 discussed in this notice, please contact any of the agency clearance officers whose names appear below. In addition, copies of the FFIEC 102 reporting form and instructions are available on the FFIEC's Web site (http://www.ffiec.gov/ffiec_report_forms.htm).

OCC: Shaquita Merritt, OCC Clearance Officer, (202) 649-5490, or for persons who are deaf or hard of hearing, TTY, (202) 649-5597, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 400 7th Street, SW., Washington, DC 20219.

Board: Nuha Elmaghrabi, Federal Reserve Board Clearance Officer, (202) 452-3884, Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call (202) 263-4869.

FDIC: Manuel E. Cabeza, Counsel, (202) 898-3767, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

SUPPLEMENTARY INFORMATION: The agencies are proposing to revise and extend for three years the FFIEC 102, which is currently an approved collection of information for each agency.

Report Title: Market Risk Regulatory Report for Institutions Subject to the Market Risk Capital Rule.

Form Number: FFIEC 102.

Frequency of Response: Quarterly.

Affected Public: Business or other for-profit.

OCC:

OMB Control No.: 1557-0325.

Estimated Number of Respondents: 12 national banks and federal savings associations.

Estimated Burden per Response: 12 burden hours per quarter to file.

Estimated Total Annual Burden: 576 burden hours to file.

Board:

OMB Control No.: 7100-0365.

Estimated Number of Respondents: 31 state member banks, bank holding companies, savings and loan holding companies, and intermediate holding companies.

Estimated Burden per Response: 12 burden hours per quarter to file.

Estimated Total Annual Burden: 1,488 burden hours to file.

FDIC:

OMB Control No.: 3064-0199.

Estimated Number of Respondents: 1 insured state nonmember bank
and state savings association.

Estimated Burden per Response: 12 burden hours per quarter to file.

Estimated Total Annual Burden: 48 burden hours to file.

General Description of Report

This quarterly information collection is mandatory for market risk institutions, defined for this purpose as those institutions that are subject to the market risk capital rule as incorporated into Subpart F of the agencies' regulatory capital rules (market risk institutions).¹ All data reported in the FFIEC 102 are available to the public. Each market risk institution is required to file the FFIEC 102 for the agencies' use in assessing the reasonableness and accuracy of the institution's calculation of its minimum capital requirements under the market risk capital rule and in evaluating the institution's capital in relation to its risks. Additionally, the market risk information collected in the FFIEC 102: (a) permits the agencies to monitor the market risk profile of and evaluate the impact and competitive implications of the market risk capital rule on individual market risk institutions and the industry as a whole; (b) provides the most current statistical data available to identify areas of market risk on which to focus for onsite and offsite examinations; (c) allows the agencies to assess and monitor the levels and components of each

¹ 12 CFR 3.201 (OCC); 12 CFR 217.201 (Board); and 12 CFR 324.201 (FDIC). The market risk capital rule generally applies to any banking institution with aggregate trading assets and trading liabilities equal to (a) 10 percent or more of quarter-end total assets or (b) \$1 billion or more. The statutory provisions that grant the agencies the authority to impose capital requirements are 12 U.S.C. 161 (national banks), 12 U.S.C. 324 (state member banks), 12 U.S.C. 1844(c) (bank holding companies), 12 U.S.C. 1467a(b) (savings and loan holding companies), 12 U.S.C. 5365 (U.S. intermediate holding companies), 12 U.S.C. 1817 (insured state nonmember commercial and savings banks), and 12 U.S.C. 1464 (savings associations).

reporting institution's risk-based capital requirements for market risk and the adequacy of the institution's capital under the market risk capital rule; and (d) assists market risk institutions in validating their implementation of the market risk framework.

Discussion of Proposed Revisions

1. Reporting the Legal Entity Identifier

The Legal Entity Identifier (LEI) is a 20-digit alpha-numeric code that uniquely identifies entities that engage in financial transactions. The recent financial crisis spurred the development of a Global LEI System (GLEIS). Internationally, regulators and market participants have recognized the importance of the LEI as a key improvement in financial data systems. The Group of Twenty (G-20) nations directed the Financial Stability Board to lead the coordination of international regulatory work and deliver concrete recommendations on the GLEIS by mid-2012, which in turn were endorsed by the G-20 later that same year. In January 2013, the LEI Regulatory Oversight Committee (ROC), which includes regulators from around the world, was established to oversee the GLEIS on an interim basis. With the establishment of the full Global LEI Foundation in 2014, the ROC continues to review and develop broad policy standards for LEIs. The OCC, the Board, and the FDIC are all members of the ROC.

The LEI system is designed to facilitate several financial stability objectives, including the provision of higher quality and more accurate financial data. In the United States, the Financial Stability Oversight Council (FSOC) has recommended that regulators and market participants continue to work together to improve the quality and comprehensiveness of financial data both nationally and globally. In this regard, the FSOC also has recommended that its

member agencies promote the use of the LEI in reporting requirements and rulemakings, where appropriate.²

Effective beginning October 31, 2014, the Board started requiring holding companies to provide their LEI on the cover pages of the FR Y-6, FR Y-7, and FR Y-10 reports³ only if a holding company already has an LEI. Thus, if a reporting holding company does not have an LEI, it is not required to obtain one for purposes of these Board reports. Additionally, effective for December 2015, the Board expanded the collection of the LEI to all holding company subsidiary banking and nonbanking legal entities reportable on certain schedules of the FR Y-10 and in one section of the FR Y-6 and FR Y-7 if an LEI has already been issued for the reportable entity.⁴ With respect to the FFIEC 102, the agencies are proposing to have reporting institutions provide their LEI on the cover page of each report beginning December 31, 2016, only if an institution already has an LEI. As with the Board reports, an institution that does not have an LEI would not be required to obtain one for purposes of reporting it on the FFIEC 102.

2. Changes to the Board's Respondent Panel

On December 14, 2012, the Board invited comment on a notice of proposed rulemaking (proposed Regulation YY)⁵ that would have required a Foreign Banking Organization (FBO) with \$50 billion in non-branch assets to establish a U.S. IHC, imposed enhanced prudential standards on the U.S. IHC, and required the U.S. IHC to submit any reporting forms in the same manner and to the same extent as a bank holding company. On February 18, 2014, the Board

² Financial Stability Oversight Council 2015 Annual Report, page 14, <http://www.treasury.gov/initiatives/fsoc/studies-reports/Documents/2015%20FSOC%20Annual%20Report.pdf>.

³ FR Y-6, Annual Report of Holding Companies; FR Y-7, Annual Report of Foreign Banking Organizations; and FR Y-10, Report of Changes in Organizational Structure (OMB No. 7100-0297).

⁴ 80 FR 38202 (July 2, 2015).

⁵ 77 FR 76628 (December 28, 2012).

adopted a final rule implementing enhanced prudential standards for FBOs (Regulation YY),⁶ with certain revisions in response to comments. The Board indicated in the preamble to Regulation YY that it would address the reporting requirements for U.S. IHCs at a later date. Accordingly, based on the background provided above, the agencies propose to add U.S. IHCs that are subject to the market risk capital rule to the FFIEC 102 panel of Board respondents.⁷ For such U.S. IHCs, the agencies are proposing to implement these changes beginning with the December 31, 2016, report date.

Request for Comment

Public comment is requested on all aspects of this joint notice. Comments are invited on:

- (a) Whether the collections of information that are the subject of this notice are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;
- (b) The accuracy of the agencies' estimates of the burden of the information collections as they are proposed to be revised, including the validity of the methodology and assumptions used;
- (c) Ways to enhance the quality, utility, and clarity of the information to be collected;
- (d) Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and
- (e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide the information.

⁶ 79 FR 17240 (March 27, 2014).

⁷ In general, U.S. IHCs are subject to the market risk capital rule based on the same criteria used for other banking organizations. See 12 CFR 217.201(b)(1); 12 CFR 252.153(e)(2).

Comments submitted in response to this joint notice will be shared among the agencies and will be summarized or included in the agencies' requests for OMB approval. All comments will become a matter of public record.

Dated: June 20, 2016

Stuart Feldstein,
Director, Legislative and Regulatory Activities Division,
Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, June 24, 2016.

Robert deV. Frierson,
Secretary of the Board.

Dated at Washington, D.C., this 20 day of June , 2016.

FEDERAL DEPOSIT INSURANCE CORPORATION

Robert E. Feldman
Executive Secretary

Billing Codes

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